



HEALTH QUARTERLY STATEMENT

AS OF JUNE 30, 2004  
OF THE CONDITION AND AFFAIRS OF THE  
THE WELLNESS PLAN

NAIC Group Code	1150	1150	NAIC Company Code	95471	Employer's ID Number	38-2008890
	(Current Period)	(Prior Period)				
Organized under the Laws of	Michigan			State of Domicile or Port of Entry	Michigan	
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health [ ] Property/Casualty [ ] Dental Service Corporation [ ] Vision Service Corporation [ ] Other [ ] Health Maintenance Organization [ X ] Hospital, Medical & Dental Service or Indemnity [ ] Is HMO, Federally Qualified? Yes [ X ] No [ ]					
Date Incorporated	11/08/1972		Commenced Business	02/28/1973		
Statutory Home Office	7700 SECOND AVENUE			DETROIT, MI 48202		
	(Street and Number)			(City or Town, State and Zip Code)		
Main Administrative Office	7700 SECOND AVENUE		DETROIT, MI 48202	313-202-8500		
	(Street and Number)		(City or Town, State and Zip Code)	(Area Code) (Telephone Number)		
Mail Address	7700 SECOND AVENUE			DETROIT, MI 48202		
	(Street and Number or P.O. Box)			(City or Town, State and Zip Code)		
Primary Location of Books and Records	7700 SECOND AVENUE		DETROIT, MI 48202	313-202-8500-27828		
	(Street and Number)		(City or Town, State and Zip Code)	(Area Code) (Telephone Number)		
Internet Website Address	www.wellplan.com					
Statutory Statement Contact	Rao Kakarala Mr.			313-202-8500-27828		
	(Name)			(Area Code) (Telephone Number) (Extension)		
	rkakarala@wellplan.com			313-202-6870		
	(E-mail Address)			(FAX Number)		
Policyowner Relations Contact	7700 SECOND AVENUE		DETROIT, MI 48202	202-202-8500		
	(Street and Number)		(City or Town, State and Zip Code)	(Area Code) (Telephone Number) (Extension)		

OFFICERS

Name	Title	Name	Title
James Eric Gerber	Deputy Rehabilitator	Donn Robert Merrill	Deputy Rehabilitator

OTHER OFFICERS

DIRECTORS OR TRUSTEES

Kathleen Callahan	Bernard Francis Parker	Carol Ann Williams	Charles Francis Whitten, M.D.
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State of Michigan  
County of Wayne ss

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

James Eric Gerber  
Deputy Rehabilitator

Donn Robert  
Deputy Rehabilitator

Subscribed and sworn to before me this  
11 day of August, 2004

- a. Is this an original filing? Yes [ X ] No [ ]  
b. If no,  
1. State the amendment number  
2. Date filed  
3. Number of pages attached

Polly J. Jones, Notary Public Wayne County, MI  
August 17, 2007

ASSETS

	Current Statement Date			4  December 31 Prior Year Net Admitted Assets
	1  Assets	2  Nonadmitted Assets	3  Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	236,691	236,691	0	0
2. Stocks:				
2.1 Preferred stocks .....			0	0
2.2 Common stocks .....	435,113	435,113	0	11,461,304
3. Mortgage loans on real estate:				
3.1 First liens .....			0	0
3.2 Other than first liens .....			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ ..... encumbrances) .....	19,554,915		19,554,915	20,275,152
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....			0	0
4.3 Properties held for sale (less \$ ..... encumbrances) .....			0	0
5. Cash (\$ ..... (607,777) ), cash equivalents (\$ ..... 49,145,567 ) and short-term investments (\$ ..... 0 ) .....	48,895,771	357,981	48,537,790	33,348,859
6. Contract loans, (including \$ ..... premium notes)			0	0
7. Other invested assets .....	(85,392)	0	(85,392)	1,080,195
8. Receivable for securities .....			0	0
9. Aggregate write-ins for invested assets .....	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9) .....	69,037,098	1,029,785	68,007,313	66,165,510
11. Investment income due and accrued .....	39,251		39,251	46,295
12. Premiums and considerations:				
12.1 Uncollected premiums and agents' balances in the course of collection .....	748,811		748,811	655,510
12.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....			0	0
12.3 Accrued retrospective premiums .....			0	0
13. Reinsurance:				
13.1 Amounts recoverable from reinsurers .....			0	0
13.2 Funds held by or deposited with reinsured companies .....			0	0
13.3 Other amounts receivable under reinsurance contracts .....			0	0
14. Amounts receivable relating to uninsured plans .....			0	0
15.1 Current federal and foreign income tax recoverable and interest thereon .....			0	0
15.2 Net deferred tax asset .....			0	0
16. Guaranty funds receivable or on deposit .....			0	0
17. Electronic data processing equipment and software .....	1,758,965	1,669,062	89,903	367,512
18. Furniture and equipment, including health care delivery assets (\$ ..... 1,265,736 ) .....	3,160,537	852,660	2,307,877	3,205,016
19. Net adjustment in assets and liabilities due to foreign exchange rates .....			0	0
20. Receivables from parent, subsidiaries and affiliates .....	9,951	9,951	0	0
21. Health care (\$ ..... 7,827,051 ) and other amounts receivable .....	7,849,242	3,102,912	4,746,330	3,584,857
22. Other assets nonadmitted .....			0	0
23. Aggregate write-ins for other than invested assets .....	366,680	366,680	0	0
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	82,970,535	7,031,050	75,939,485	74,024,700
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0	0
26. Total (Lines 24 and 25)	82,970,535	7,031,050	75,939,485	74,024,700
<b>DETAILS OF WRITE-INS</b>				
0901. Employee Benefit Trust .....			0	0
0902. ....				
0903. ....				
0998. Summary of remaining write-ins for Line 9 from overflow page .....	0	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998)(Line 9 above)	0	0	0	0
2301. Employee Advances .....	22,147	22,147	0	0
2302. Prepaid Expenses .....	344,533	344,533	0	0
2303. ....				
2398. Summary of remaining write-ins for Line 23 from overflow page .....	0	0	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above)	366,680	366,680	0	0

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ ..... reinsurance ceded)	41,703,701		41,703,701	45,841,077
2. Accrued medical incentive pool and bonus amounts .....	4,889,136		4,889,136	3,550,379
3. Unpaid claims adjustment expenses .....	689,736		689,736	676,395
4. Aggregate health policy reserves .....			0	225,000
5. Aggregate life policy reserves .....			0	0
6. Property/casualty unearned premium reserve .....			0	0
7. Aggregate health claim reserves .....			0	0
8. Premiums received in advance .....			0	220,574
9. General expenses due or accrued .....	5,030,795		5,030,795	10,338,710
10.1 Current federal and foreign income tax payable and interest thereon (including \$ ..... on realized capital gains (losses)) .....			0	0
10.2 Net deferred tax liability.....			0	0
11. Ceded reinsurance premiums payable .....			0	0
12. Amounts withheld or retained for the account of others .....	1,140,179		1,140,179	1,093,081
13. Remittances and items not allocated .....			0	0
14. Borrowed money (including \$ ..... current) and interest thereon \$ ..... (including \$ ..... current) .....			0	0
15. Amounts due to parent, subsidiaries and affiliates .....	1		1	1
16. Payable for securities .....			0	0
17. Funds held under reinsurance treaties with (\$ ..... authorized reinsurers and \$ .....unauthorized reinsurers) .....			0	0
18. Reinsurance in unauthorized companies .....			0	0
19. Net adjustments in assets and liabilities due to foreign exchange rates .....			0	0
20. Liability for amounts held under uninsured accident and health plans .....			0	0
21. Aggregate write-ins for other liabilities (including \$ .....3,336,760 current) .....	3,336,760	0	3,336,760	3,473,311
22. Total liabilities (Lines 1 to 21).....	56,790,308	0	56,790,308	65,418,528
23. Common capital stock .....	XXX	XXX		0
24. Preferred capital stock .....	XXX	XXX		0
25. Gross paid in and contributed surplus .....	XXX	XXX		0
26. Surplus notes .....	XXX	XXX		0
27. Aggregate write-ins for other than special surplus funds .....	XXX	XXX	0	0
28. Unassigned funds (surplus) .....	XXX	XXX	19,149,177	8,606,172
29. Less treasury stock, at cost:				
29.1 .....shares common (value included in Line 23) \$ ..... ) .....	XXX	XXX		0
29.2 .....shares preferred (value included in Line 24) \$ ..... ) .....	XXX	XXX		0
30. Total capital and surplus (Lines 23 to 28 minus Line 29) .....	XXX	XXX	19,149,177	8,606,172
31. Total liabilities, capital and surplus (Lines 22 and 30)	XXX	XXX	75,939,485	74,024,700
DETAILS OF WRITE-INS				
2101. Provider Tax Liability.....	3,336,760		3,336,760	3,473,311
2102. ....				
2103. ....				
2198. Summary of remaining write-ins for Line 21 from overflow page .....	0	0	0	0
2199. Totals (Lines 2101 thru 2103 plus 2198) (Line 21 above)	3,336,760	0	3,336,760	3,473,311
2701. ....	XXX	XXX		
2702. ....	XXX	XXX		
2703. ....	XXX	XXX		
2798. Summary of remaining write-ins for Line 27 from overflow page .....	XXX	XXX	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	639,036	701,769
2. Net premium income (including ..... non-health premium income).....	XXX	112,406,804	113,114,207
3. Change in unearned premium reserves and reserve for rate credits .....	XXX		0
4. Fee-for-service (net of \$ .....115,740 medical expenses) .....	XXX	15,110	10,645
5. Risk revenue .....	XXX		0
6. Aggregate write-ins for other health care related revenues .....	XXX	(6,806,144)	(2,531,407)
7. Aggregate write-ins for other non-health revenues .....	XXX	0	0
8. Total revenues (Lines 2 to 7) .....	XXX	105,615,770	110,593,445
<b>Hospital and Medical:</b>			
9. Hospital/medical benefits .....		53,303,115	61,748,650
10. Other professional services .....		2,738,001	4,621,258
11. Outside referrals .....		4,652,209	2,330,631
12. Emergency room and out-of-area .....		7,524,912	10,335,566
13. Prescription drugs .....		14,152,316	16,051,648
14. Aggregate write-ins for other hospital and medical.....	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....		1,338,757	1,130,907
16. Subtotal (Lines 9 to 15) .....	0	83,709,310	96,218,660
<b>Less:</b>			
17. Net reinsurance recoveries .....			0
18. Total hospital and medical (Lines 16 minus 17) .....	0	83,709,310	96,218,660
19. Non-health claims .....			0
20. Claims adjustment expenses, including \$ .....cost containment expenses.....		761,900	611,834
21. General administrative expenses.....		11,075,478	12,101,870
22. Increase in reserves for life and accident and health contracts including \$ ..... increase in reserves for life only).....		(225,000)	(1,699,800)
23. Total underwriting deductions (Lines 18 through 22) .....	0	95,321,688	107,232,564
24. Net underwriting gain or (loss) (Lines 8 minus 23) .....	XXX	10,294,082	3,360,881
25. Net investment income earned .....		344,263	1,482,666
26. Net realized capital gains (losses) .....		120,192	233,582
27. Net investment gains (losses) (Lines 25 plus 26) .....	0	464,455	1,716,248
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$ ..... ) (amount charged off \$ ..... )] .....			0
29. Aggregate write-ins for other income or expenses .....	0	0	0
30. Net income or (loss) before federal income taxes (Lines 24 plus 27 plus 28 plus 29) .....	XXX	10,758,537	5,077,129
31. Federal and foreign income taxes incurred .....	XXX		0
32. Net income (loss) (Lines 30 minus 31) .....	XXX	10,758,537	5,077,129
<b>DETAILS OF WRITE-INS</b>			
0601. Other Miscellaneous Revenue.....	XXX	35,932	47,609
0602. QAAP Provider taxes.....	XXX	(6,842,076)	(2,579,016)
0603. ....	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page .....	XXX	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above) .....	XXX	(6,806,144)	(2,531,407)
0701. ....	XXX		
0702. ....	XXX		
0703. ....	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page .....	XXX	0	0
0799. Totals (Lines 0701 thru 0703 plus 0798) (Line 7 above) .....	XXX	0	0
1401. ....			
1402. ....			
1403. ....			
1498. Summary of remaining write-ins for Line 14 from overflow page .....	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above) .....	0	0	0
2901. ....			
2902. ....			
2903. ....			
2998. Summary of remaining write-ins for Line 29 from overflow page .....	0	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above) .....	0	0	0

CAPITAL AND SURPLUS ACCOUNT

	1 Current Year to Date	2 Prior Year
<b>CAPITAL AND SURPLUS ACCOUNT:</b>		
33. Capital and surplus prior reporting year.....	8,606,172	3,227,164
<b>GAINS AND LOSSES TO CAPITAL &amp; SURPLUS:</b>		
34. Net income or (loss) from Line 32 .....	10,758,537	5,096,000
35. Change in valuation basis of aggregate policy and claim reserves .....		0
36. Net unrealized capital gains and losses .....	(65,367)	(278,281)
37. Change in net unrealized foreign exchange capital gain or (loss) .....		0
38. Change in net deferred income tax .....		0
39. Change in nonadmitted assets .....	(150,165)	(5,751,019)
40. Change in unauthorized reinsurance .....	0	0
41. Change in treasury stock .....		0
42. Change in surplus notes .....	0	0
43. Cumulative effect of changes in accounting principles .....		0
44. Capital Changes:		
44.1 Paid in .....		0
44.2 Transferred from surplus (Stock Dividend) .....		0
44.3 Transferred to surplus .....		0
45. Surplus adjustments:		
45.1 Paid in .....		0
45.2 Transferred to capital (Stock Dividend) .....	0	0
45.3 Transferred from capital .....		0
46. Dividends to stockholders .....		0
47. Aggregate write-ins for gains or (losses) in surplus .....	0	6,312,308
48. Net change in capital & surplus (Lines 34 to 47) .....	10,543,005	5,379,008
49. Capital and surplus end of reporting period (Line 33 plus 48)	19,149,177	8,606,172
<b>DETAILS OF WRITE-INS</b>		
4701. Prior period adjustment.....		6,312,308
4702. ....		
4703. ....		
4798. Summary of remaining write-ins for Line 47 from overflow page .....	0	0
4799. Totals (Lines 4701 thru 4703 plus 4798) (Line 47 above)	0	6,312,308

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance.....	108,776,877	224,373,399
2. Net investment income .....	351,307	530,496
3. Miscellaneous income .....	(6,927,585)	(9,457,964)
4. Total (Lines 1 to 3) .....	102,200,599	215,445,931
5. Benefits and loss related payments .....	86,507,929	171,139,071
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts.....		0
7. Commissions, expenses paid and aggregate write-ins for deductions .....	15,325,331	23,126,466
8. Dividends paid to policyholders .....		0
9. Federal and foreign income taxes paid (recovered) \$ ..... net of tax on capital gains (losses)	0	0
10. Total (Lines 5 through 9) .....	101,833,260	194,265,537
11. Net cash from operations (Line 4 minus Line 10) .....	367,339	21,180,394
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds .....	0	0
12.2 Stocks .....	32,155,622	8,447,550
12.3 Mortgage loans .....	0	0
12.4 Real estate .....	0	5,134,313
12.5 Other invested assets .....	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	0	0
12.7 Miscellaneous proceeds .....	2,135,665	0
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	34,291,287	13,581,863
13. Cost of investments acquired (long-term only):		
13.1 Bonds .....	236,691	0
13.2 Stocks .....	20,600,000	10,553,027
13.3 Mortgage loans .....	0	0
13.4 Real estate .....	0	0
13.5 Other invested assets .....	0	5,134,313
13.6 Miscellaneous applications .....	0	475,443
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	20,836,691	16,162,783
14. Net increase (or decrease) in policy loans and premium notes .....	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	13,454,596	(2,580,920)
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes .....	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0
16.3 Borrowed funds .....	0	1,791,594
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....		0
16.5 Dividends to stockholders .....	0	0
16.6 Other cash provided (applied).....	1,366,996	12,533,738
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6) .....	1,366,996	14,325,332
<b>RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash and short-term investments (Line 11 plus Lines 15 and 17) .....	15,188,931	32,924,806
19. Cash and short-term investments:		
19.1 Beginning of period .....	33,348,859	424,053
19.2 End of period (Line 18 plus Line 19.1) .....	48,537,790	33,348,859

STATEMENT AS OF JUNE 30, 2004 OF THE THE WELLNESS PLAN

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10	11	12	13
		2	3										
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
<b>Total Members at end of:</b>													
1. Prior Year .....	110,453	15	6,036	.0	.0	.0	944	.0	103,458	.0	.0	.0	.0
2 First Quarter .....	107,302	5	4,392	.0	.0	.0	.0	.0	102,905	.0	.0	.0	.0
3 Second Quarter .....	103,023		2,901						100,122				
4. Third Quarter .....	.0												
5. Current Year	103,023		2,901						100,122				
6 Current Year Member Months	639,036	31	24,660						614,345				
<b>Total Member Ambulatory Encounters for Period:</b>													
7. Physician .....	53,021	4	4,365						48,652				
8. Non-Physician .....	170,919	8	9,520						161,391				
9. Total	223,940	12	13,885	0	0	0	0	0	210,043	0	0	0	0
10. Hospital Patient Days Incurred	21,811	63	432						21,316				
11. Number of Inpatient Admissions	5,328	14	112						5,202				
12. Health Premiums Written .....	112,406,804	6,760	5,377,653						107,022,391				
13. Life Premiums Direct.....	.0												
14. Property/Casualty Premiums Written .....	.0												
15. Health Premiums Earned .....	112,406,804	6,760	5,377,653						107,022,391				
16. Property/Casualty Premiums Earned .....	.0												
17. Amount Paid for Provision of Health Care Services .....	86,507,929	9,830	5,648,909				165,226		80,683,964				
18. Amount Incurred for Provision of Health Care Services	83,709,310	5,137	4,086,422						79,617,751				

## CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

[illegible]



UNDERWRITING AND INVESTMENT EXHIBIT  
ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5  Claims Incurred in Prior Years (Columns 1 + 3)	6  Estimated Claim Reserve and Claim Liability Dec. 31 of Prior Year
	1  On Claims Incurred Prior to January 1 of Current Year	2  On Claims Incurred During the Year	3  On Claims Unpaid Dec. 31 of Prior Year	4  On Claims Incurred During the Year		
1. Comprehensive (hospital & medical) .....	1,473,837	5,298,280	1,120,253	478,936	2,594,090	4,279,747
2. Medicare Supplement .....					0	0
3. Dental Only .....					0	0
4. Vision Only .....					0	0
5. Federal Employees Health Benefits Plan .....	165,226		314,561		479,787	479,787
6. Title XVIII - Medicare .....					0	0
7. Title XIX - Medicaid .....	14,147,453	65,423,133	21,439,825	18,350,126	35,587,278	41,081,543
8. Other Health .....					0	0
9. Health Subtotal (Lines 1 to 8).....	15,786,516	70,721,413	22,874,639	18,829,062	38,661,155	45,841,077
10. Other non-health .....					0	0
11. Medical incentive pools and bonus amounts .....			3,779,136	1,110,000	3,779,136	3,550,379
12. Totals	15,786,516	70,721,413	26,653,775	19,939,062	42,440,291	49,391,456

## NOTES TO FINANCIAL STATEMENTS

### 1. Summary of Significant Accounting Policies

#### A. Accounting Practices

The financial statements of The Wellness Plan (TWP) are presented on the basis of accounting practices permitted by the Michigan Office of Financial and Insurance Services (OFIS).

As of January 1, 2003, OFIS has adopted the NAIC's *Accounting Practices and Procedures* as a component of prescribed and permitted practices. OFIS has certain permitted practices that can be used as a phase-in for the accounting practices.

1. Three-year phase-in period for the limitation of admitted electronic data processing equipment and software (SSAP 16)
2. Three-year phase-in period for the amount of nonadmitted furniture and equipment (SSAP 19)

TWP, with the previous permission of OFIS, records their Malpractice Trust Self Insurance Fund and the Stop Loss Self Insurance Trust on Schedule BA. These two items are not specifically addressed in statutory accounting. If these funds were not allowed as admitted assets, the surplus would be decreased by \$853,214 as June 30, 2004 and by \$2,009,040 as of December 31, 2003.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of Michigan is shown below:

	<u>6/30/04</u>	<u>12/31/03</u>
(1) Net income – Mich. OFIS basis	\$ 10,758,537	\$ 5,096,000
(2) State prescribed practice	-0-	-0-
(3) State permitted practice	-0-	-0-
(4) Net income – NAIC SAP	<u>\$ 10,758,537</u>	<u>\$ 5,096,000</u>
(5) Statutory surplus – Mich. OFIS basis	\$ 19,149,177	\$ 8,606,172
(6) State prescribed practices (surplus):		
EDP equipment	-0-	215,440
Furniture & equipment	1,042,141	1,802,686
(7) State permitted practices (surplus):	-0-	-0-
(8) Statutory surplus – NAIC SAP	<u>\$ 18,107,036</u>	<u>\$ 6,588,046</u>

B. Use of Estimates in the Preparation of the Financial Statements: No changes

C. Accounting Policy: No changes

### 2. Accounting Changes and Correction of Errors

As of January 1, 2003, OFIS has adopted the NAIC's *Accounting Practices and Procedures* as a component of prescribed and permitted practices. OFIS has certain prescribed practices that can be used as a phase-in for the accounting procedures.

• The reported amount for computer hardware is limited to 15%, for 2004, and 25%, for 2003, of the Company's capital surplus, as allowed under the State of Michigan prescribed accounting practices. The amount of the Company's non-operating systems software is treated as a non-admitted asset.

	<u>6/30/04</u>	<u>12/31/03</u>
Capital and surplus, beginning of period	15,587,335	5,069,062
Percentage allowed	<u>15%</u>	<u>25%</u>
Allowable limit of computer equipment	2,338,100	1,267,266
Amount of EDP equipment and software	1,758,964	2,477,122
Less amount of EDP software	<u>1,669,061</u>	<u>2,109,610</u>
Net amount of EDP equipment	89,903	367,512
Admitted amount (not to exceed the allowable limit as determined above)	<u>89,903</u>	<u>367,512</u>
Nonadmitted amount	<u>1,669,061</u>	<u>2,109,610</u>

## NOTES TO FINANCIAL STATEMENTS

- Office Furniture and Equipment is stated at 55%, for 2004, and 85%, for 2003, of the net book value as allowed under the State of Michigan's prescribed accounting practices.

	<u>6/30/04</u>	<u>12/31/03</u>
Furniture and Equipment	3,160,537	3,523,137
Less: Medical Delivery assets **	<u>1,265,736</u>	<u>1,402,330</u>
Net Office Equipment	1,894,801	2,120,807
Admitted amount at 55% of total (2004)	1,042,141	
Admitted amount at 85% of total (2003)		<u>1,802,686</u>
Nonadmitted amount	<u>852,660</u>	<u>318,121</u>

\*\* Medical Delivery assets of \$1,265,736 and \$1,402,330 consisting of inventory of medical supplies, drugs and staff clinics equipment were deducted from the total office furniture and equipment when determining nonadmitted assets.

The estimated useful lives of the Company's computer hardware, software and medical equipment were recently re-evaluated to comply with SSAP statements 16, 19 and 73, and resulted in the recognition of a one-time charge to depreciation expense of \$332,351.

3. Business Combinations and Goodwill:

- A. Statutory Purpose Method: Not applicable
- B. Statutory Merger: Not applicable
- C. Assumption Reinsurance: Not applicable
- D. Impairment Loss: Not applicable

4. Discontinued Operations:

On June 18, 2004, the company was notified by the Michigan Department Community Health of the non-renewal of its Medicaid contract after the current contract expires on September 30, 2004.

The Company ended its commercial line of business for practically all of its groups on June 30, 2004 or earlier. The only contract that remains is for the company's employee health care coverage, and this group will be terminated on July 31, 2004.

5. Investments (Mortgage Loans, Debt Restructuring, Reverse Mortgages, Loan-Backed Securities and Repurchase Agreements)

- A. Mortgage Loans: Not applicable
- B. Debt Restructuring: Not applicable
- C. Reverse Mortgages: Not applicable
- D. Loan-Backed Securities: Not applicable
- E. Repurchase Agreements: Not applicable
- F. Real Estate: Not applicable

6. Joint Ventures, Partnerships and Limited Liability Companies: Not applicable

7. Investment Income: Not applicable

8. Derivative Instruments: Not applicable

9. Income Taxes:

The corporation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal income taxes has been made.

10. Information Concerning Parent, Subsidiaries and Affiliates: No changes

11. Debt: No changes

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

- A. Defined Benefit Plan: Not applicable
- B. Defined Contribution Plans: No changes

## NOTES TO FINANCIAL STATEMENTS

- C. Multiemployer Plans: Not applicable
- D. Consolidated/Holding Company Plans: Not applicable
- E. Postemployment Benefits and Compensated Absences: No changes

13. Capital and Surplus, Shareholder's Dividend Restrictions and Quasi-Reorganizations

Not applicable

14. Contingencies: No changes15. Leases: No changes16. Information about Financial Instruments With Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk:

Not applicable

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

- A. Transfers of Receivables Reported as Sales: Not applicable
- B. Transfer and Servicing of Financial Assets: Not applicable
- C. Wash Sales: Not applicable

18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans

- A. ASO Plans: Not applicable
- B. ASC Plans: Not applicable
- C. Medicare or Similarly Structured Cost Based Reimbursement Contract:  
Not applicable

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

Not applicable

20. September 11 Events: Not applicable21. Other Items: Not applicable

- A. Extraordinary Items: Not applicable
- B. Troubled Debt Restructuring: Debtors: Not applicable
- C. Other Disclosures: Not applicable
- D. Uncollectible assets covered by SSAP 6: No changes
- E. Business Interruption Insurance Recoveries: Not applicable

22. Events Subsequent:

On July 21, 2004, the Circuit Court for the 30<sup>th</sup> Judicial District in Ingham County Michigan ruled in favor of the petition filed by Linda A. Watters, Commissioner of Office of Financial and Insurance Services, seeking the court's approval to sell the right to serve the members of The Wellness Plan.

23. Reinsurance:

- A. Ceded Reinsurance Report: Not applicable
- B. Uncollectible Reinsurance: Not applicable
- C. Commutation of Ceded Reinsurance: Not applicable

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination: Not applicable25. Change in Incurred Claims and Claim Adjustment Expenses

Reserves for incurred claims and claim adjustment expenses attributable to insured events of prior years decreased \$6,951,165 from \$49,391,456 at December 31, 2003 to \$42,440,291 at June 30, 2004 as a result of reestimation of unpaid claims and claim adjustment expenses. This decrease is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased when additional information becomes known regarding individual claims.

NOTES TO FINANCIAL STATEMENTS

26. Intercompany Pooling Arrangements: Not applicable
27. Structured Settlements: Not applicable
28. Health Care Receivables:

A. Pharmaceutical Rebate Receivables:

	Estimated pharmacy rebates as reported on financial statements	Pharmacy rebates as billed or otherwise confirmed	Actual rebates received within 90 days of billing	Actual rebates received within 91- 180 days of billing	Actual rebates received more than 180 days after billing
	-----	-----	-----	-----	-----
6/30/2004	316,452	-0-			297,101
3/31/2004	613,553	-0-			401,032
12/31/2003	1,014,585	729,733			601,972
9/30/2003	886,824	336,039			208,089
6/30/2003	758,874	79,807			147,582
3/31/2003	826,649	237,408			237,854
12/31/2002	827,095	342,202			235,107
9/30/2002	720,000	380,727			487,610
6/30/2002	826,883	245,991			304,256
3/31/2002	885,148	240,229			335,103

B. Risk Sharing Receivables:

Calendar year	Evaluation period ending year	Risk sharing receivable as estimated in the prior year	Risk sharing receivable as estimated in the current year	Risk sharing receivable billed	Risk sharing receivable not yet billed	Actual risk sharing amounts received in year billed	Actual risk sharing amounts received in second subsequent year	Actual risk sharing amounts received – all other
-----	-----	-----	-----	-----	-----	-----	-----	-----
2004	2003 2004	335,349	355,877 -0-	355,877	-0-	-0-		
2003	2002 2003	717,782	658,733 335,349	658,733	-0-	-0-	-0-	
2002	2001 2002	45,334	319,792 717,782	319,792	-0-	-0-	58,725	26,108

29. Participating Policies: Not applicable
30. Premium Deficiency Reserves
- At December 31, 2003, the Company recorded a loss of \$225,000 in commercial premium deficiency reserves based on expected losses occurring during 2004. Resulting from the net reduction of commercial membership as well as the reduction in incurred claims expenses, \$225,000 was recognized as a reduction of medical expenses during the six months ended June 30, 2004.
31. Anticipated Salvage and Subrogation: Not applicable

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted.)

PART 1 - COMMON INTERROGATORIES  
GENERAL

- 1.1

Did the reporting entity implement any significant accounting policy changes which would require disclosure in the Notes to the Financial Statements? .....

Yes ☒ No ☐
- 1.2

If yes, explain:  
The estimated useful lives of the Company's computer hardware, software and medical equipment were recently evaluated to comply with SSAP statements 16, 19 and 73.....
- 2.1

Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? .....

Yes ☐ No ☒
- 2.2

If yes, has the report been filed with the domiciliary state? .....

Yes ☐ No ☐
- 3.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? .....

Yes ☐ No ☒
- 3.2

If yes, date of change: .....  
If not previously filed, furnish herewith a certified copy of the instrument as amended.
4.

Have there been any substantial changes in the organizational chart since the prior quarter end? .....

Yes ☐ No ☒

If yes, complete the Schedule Y - Part 1 - organizational chart.
- 5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? .....

Yes ☐ No ☒
- 5.2

If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
.....	.....	.....
.....	.....	.....
.....	.....	.....

6.

If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? .....

Yes ☐ No ☒ NA ☐

If yes, attach an explanation.
- 7.1

State as of what date the latest financial examination of the reporting entity was made or is being made. ....

12/31/2001
- 7.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. ....

12/31/1997
- 7.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). ....

04/15/1999
- 7.4

By what department or departments?  
.....
- 8.1

Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.) .....

Yes ☐ No ☒
- 8.2

If yes, give full information:  
.....
- 9.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?.....

Yes ☐ No ☒
- 9.2

If response to 9.1 is yes, please identify the name of the bank holding company.  
.....
- 9.3

Is the company affiliated with one or more banks, thrifts or securities firms?.....

Yes ☐ No ☒
- 9.4

If response to 9.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....

GENERAL INTERROGATORIES  
INVESTMENT

10.1 Has there been any change in the reporting entity's own preferred or common stock? ..... Yes [ ] No [X]

10.2 If yes, explain:  
.....

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) ..... Yes [ ] No [X]

11.2 If yes, give full and complete information relating thereto:  
.....

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: .....\$ .....5,134,313

13. Amount of real estate and mortgages held in short-term investments: .....\$ .....0

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? ..... Yes [X] No [ ]

14.2 If yes, please complete the following:

		1 Prior Year-End Statement Value	2 Current Quarter Statement Value
14.21 Bonds .....	\$	.....	\$ .....
14.22 Preferred Stock .....	\$	.....	\$ .....
14.23 Common Stock .....	\$	.....	\$ .....
14.24 Short-term Investments .....	\$	.....	\$ .....
14.25 Mortgages, Loans or Real Estate .....	\$	.....	\$ .....
14.26 All Other .....	\$	.....	\$ .....
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$	.....0	\$ .....0
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....	\$	.....	\$ .....
14.29 Receivable from Parent not included in Lines 14.21 to 14.26 above .....	\$	.....	\$ .....

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? ..... Yes [ ] No [X]

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? ..... Yes [ ] No [ ]

If no, attach a description with this statement.

16. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1 - General, Section IV.H - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? ..... Yes [X] No [ ]

16.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address
Comerica Bank.....	411 W. Lafayette, Detroit, MI 48226.....
Bank One.....	611 Woodward Ave., Detroit, MI 48226.....

16.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

16.3 Have there been any changes, including name changes in the custodian(s) identified in 16.1 during the current quarter? ..... Yes [ ] No [X]

16.4 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

16.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
DTC 2255.....	Harry L. Hunter.....	Bank One, 611 Woodward Ave., Detroit, MI 48226.....
DTC 2108.....	Randy L. Browning.....	Comerica Bank, 411 W. Lafayette, Detroit, MI 48226.....

SCHEDULE A - VERIFICATION

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	20,275,151	28,422,937
2. Increase (decrease) by adjustment .....	(720,236)	(3,013,473)
3. Cost of acquired .....		0
4. Cost of additions to and permanent improvements .....		0
5. Total profit (loss) on sales .....		0
6. Increase (decrease) by foreign exchange adjustment .....		0
7. Amount received on sales .....		5,134,313
8. Book/adjusted carrying value at end of current period .....	19,554,915	20,275,151
9. Total valuation allowance .....		0
10. Subtotal (Lines 8 plus 9) .....	19,554,915	20,275,151
11. Total nonadmitted amounts .....		0
12. Statement value, current period (Page 2, real estate lines, Net Admitted Assets column)	19,554,915	20,275,151

SCHEDULE B – VERIFICATION

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	0	0
2. Amount loaned during period:		
2.1. Actual cost at time of acquisitions .....		0
2.2. Additional investment made after acquisitions .....		0
3. Accrual of discount and mortgage interest points and commitment fees .....		0
4. Increase (decrease) by adjustment .....		0
5. Total profit (loss) on sale .....		0
6. Amounts paid on account or in full during the period .....		0
7. Amortization of premium .....		0
8. Increase (decrease) by foreign exchange adjustment .....		0
9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period .....	0	0
10. Total valuation allowance .....		0
11. Subtotal (Lines 9 plus 10) .....	0	0
12. Total nonadmitted amounts .....		0
13. Statement value of mortgages owned at end of current period (Page 2, mortgage lines, Net Admitted Assets column)	0	0

SCHEDULE BA – VERIFICATION

Other Invested Assets Included in Schedule BA

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	1,080,195	(7,441,674)
2. Cost of acquisitions during period:		
2.1. Actual cost at time of acquisitions .....		5,134,313
2.2. Additional investment made after acquisitions .....		0
3. Accrual of discount .....		0
4. Increase (decrease) by adjustment .....	(1,165,587)	3,387,556
5. Total profit (loss) on sale .....		0
6. Amounts paid on account or in full during the period .....		0
7. Amortization of premium .....		0
8. Increase (decrease) by foreign exchange adjustment .....		0
9. Book/adjusted carrying value of long-term invested assets at end of current period .....	(85,392)	1,080,195
10. Total valuation allowance .....		0
11. Subtotal (Lines 9 plus 10) .....	(85,392)	1,080,195
12. Total nonadmitted amounts .....		0
13. Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3)	(85,392)	1,080,195

SCHEDULE D - VERIFICATION

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	12,120,384	9,828,328
2. Cost of bonds and stocks acquired .....	20,601,028	10,553,027
3. Accrual of discount .....		0
4. Increase (decrease) by adjustment .....	(14,178)	85,219
5. Increase (decrease) by foreign exchange adjustment .....		0
6. Total profit (loss) on disposal .....	120,192	101,360
7. Consideration for bonds and stocks disposed of .....	32,155,622	8,447,550
8. Amortization of premium .....		0
9. Book/adjusted carrying value, current period .....	671,804	12,120,384
10. Total valuation allowance .....		0
11. Subtotal (Lines 9 plus 10) .....	671,804	12,120,384
12. Total nonadmitted amounts .....	671,804	659,080
13. Statement value .....	0	11,461,304



Schedule D - Part 1B

NONE

Schedule DA - Part 1

NONE

Schedule DA - Part 2

NONE

Schedule DB - Part F - Section 1

NONE

Schedule DB - Part F - Section 2

NONE

Schedule S

NONE

SCHEDULE T PREMIUMS AND OTHER CONSIDERATIONS

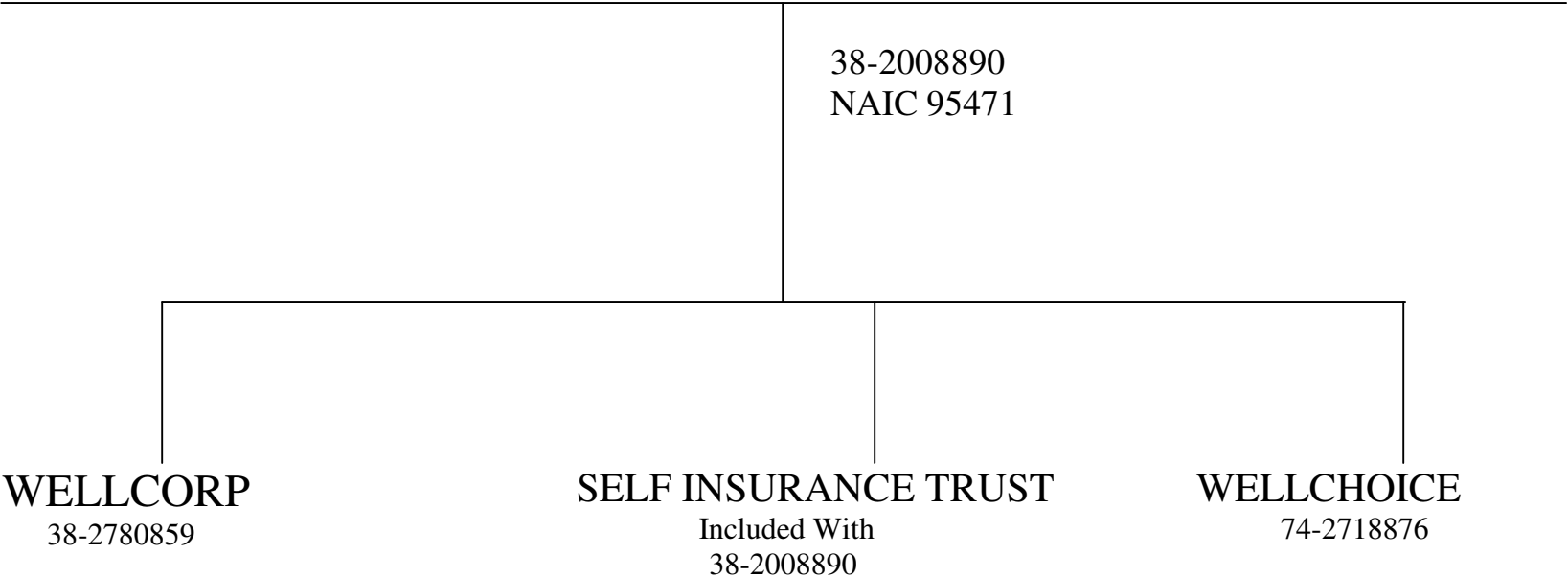
Allocated by States and Territories

		1	2	Direct Business Only Year-to-Date					
				3	4	5	6	7	8
States, Etc.		Guaranty Fund (Yes or No)	Is Insurer Licensed? (Yes or No)	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefit Program Premiums	Life and Annuity Premiums and Deposit-Type Contract Funds	Property/Casualty Premiums
1.	Alabama	AL							
2.	Alaska	AK							
3.	Arizona	AZ							
4.	Arkansas	AR							
5.	California	CA							
6.	Colorado	CO							
7.	Connecticut	CT							
8.	Delaware	DE							
9.	District of Columbia	DC							
10.	Florida	FL							
11.	Georgia	GA							
12.	Hawaii	HI							
13.	Idaho	ID							
14.	Illinois	IL							
15.	Indiana	IN							
16.	Iowa	IA							
17.	Kansas	KS							
18.	Kentucky	KY							
19.	Louisiana	LA							
20.	Maine	ME							
21.	Maryland	MD							
22.	Massachusetts	MA							
23.	Michigan	MI	No	Yes	5,384,413	107,022,391			
24.	Minnesota	MN							
25.	Mississippi	MS							
26.	Missouri	MO							
27.	Montana	MT							
28.	Nebraska	NE							
29.	Nevada	NV							
30.	New Hampshire	NH							
31.	New Jersey	NJ							
32.	New Mexico	NM							
33.	New York	NY							
34.	North Carolina	NC							
35.	North Dakota	ND							
36.	Ohio	OH							
37.	Oklahoma	OK							
38.	Oregon	OR							
39.	Pennsylvania	PA							
40.	Rhode Island	RI							
41.	South Carolina	SC							
42.	South Dakota	SD							
43.	Tennessee	TN							
44.	Texas	TX							
45.	Utah	UT							
46.	Vermont	VT							
47.	Virginia	VA							
48.	Washington	WA							
49.	West Virginia	WV							
50.	Wisconsin	WI							
51.	Wyoming	WY							
52.	American Samoa	AS							
53.	Guam	GU							
54.	Puerto Rico	PR							
55.	U.S. Virgin Islands	VI							
56.	Canada	CN							
57.	Aggregate Other Alien	OT	XXX	XXX	0	0	0	0	0
58.	Total (Direct Business)	XXX	(a) 1	5,384,413	0	107,022,391	0	0	0
DETAILS OF WRITE-INS									
5701.									
5702.									
5703.									
5798.	Summary of remaining write-ins for Line 57 from overflow page			0	0	0	0	0	0
5799.	Totals (Lines 5701 thru 5703 plus 5798) (Line 57 above)			0	0	0	0	0	0

(a) Insert the number of yes responses except for Canada and Other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP  
PART 1 - ORGANIZATIONAL CHART

THE WELLNESS PLAN (NAIC Code) FIN



SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing on “NONE” report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory question.

RESPONSE

1. Will the SVO Compliance Certification be filed with this statement?

.....YES.....

Explanation:

Bar Code:

---

**OVERFLOW PAGE FOR WRITE-INS**

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Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 1

NONE

Schedule B - Part 2

NONE

Schedule BA - Part 1

NONE

Schedule BA - Part 2

NONE

**STATEMENT AS OF JUNE 30, 2004 OF THE THE WELLNESS PLAN**

## SCHEDULE D - PART 3

**Show All Long-Term Bonds and Stock Acquired by the Company During the Current Quarter**

[illegible]

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....

E04

Schedule D - Part 4

NONE

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part D - Section 1

NONE



**STATEMENT AS OF JUNE 30, 2004 OF THE THE WELLNESS PLAN**

## SCHEDULE E - PART 1 - CASH

[illegible]